

METHODICAL GROWTH

ABOUT FLEXMATION, INC. FlexMation, Inc. builds custom lean-enabling workstations for manufacturers using extruded aluminum at its plant in Burnsville, MN. Founded in 2003, FlexMation designs and fabricates everything from workstations and FIFO racks to machine guards and process enclosures aiming to create best-in-class equipment that helps production areas operate better, safer, faster and smarter.

THE CHALLENGE. FlexMation President Steve McClintick realized his 12-person business had confronted a growth crossroads. The Burnsville-based, 12-person company builds custom lean-enabling workstations for manufacturers using extruded aluminum. But the company's growth had begun to plateau because of space limitations, so McClintick knew he would have to focus instead on expanding the part of their business that distributes parts and kits for do-it-yourselfers. "We needed to do something different," McClintick said. "After 14 years in business, it is smart to look at things and say, how has the world changed and what could we be doing better and different? This was a great opportunity for us to look at how we can increase some additional lines of business."

MEP CENTER'S ROLE. He attended an Enterprise Minnesota manufacturing workshop led by Enterprise Minnesota consultant Steve Haarstad. Haarstad presented a program entitled "Seven Smart Steps to Revenue Growth," in which he describes how strategic growth can be designed. It clicked. FlexMation retained Haarstad to develop a two-part exercise that would first develop strategy and the design implementation. During the strategy phase, Haarstad helped company executives methodically analyze the current state of their business, project some realistic revenue goals, and plot how to reach those goals by identifying opportunities selling spare parts and DIY kits. They evaluated their customer base, and how to group new customer "buckets" that filled with prospects for the new product lines. McClintick's team discovered that 80 percent of his current customers could cross over. Haarstad had them analyze these groups according to their needs, wants, and values. "Instead of just identifying them by traditional demographics, we've identified them by the things that they value," Haarstad says. "That knowledge, he adds, "would enable FlexMation to target specific sales messages that would resonate with them." The team then determined differentiating value messages that contrasted with competitors and prioritized which customer buckets should come first. McClintick has also been pleasantly surprised at how these new additional products have developed new customer relationships. "It is pretty nice when you get asked to come in and visit a place that you might not have been aware of and they're ready to talk to you. It makes life a whole lot easier."

"We went from a vague revenue growth plan that said, 'Let's sell more,' to a detailed action plan on paper. Those steps are going to get us to these metrics."

-Steve McClintick, President

RESULTS



7 new or retained jobs



\$6,000,000 in increased or retained sales

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